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C O N F I D E N T I A L SECTION 01 OF 04 ANKARA 001992

SIPDIS

DEPARTMENT FOR EUR/SE, NEA/IR

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SUBJECT: TURKEY/IRAN: TURKEY EAGER FOR CHANGE IN IRAN

POLICY, URGES US-IRAN DIALOGUE

REF: 07 ANKARA 1417

Classified By: Pol-Mil Counselor A.F. Godfrey, Reasons 1.4 (b,d)

- 11. (C) Summary: Turkish officials and Think-tankers in Ankara told Department of State Iranian Affairs Office Director Todd Schwartz during November 13 meetings that the U.S. should initiate direct talks with Iran and signal a willingness to "extend a hand of friendship' early in the Obama Administration. While convinced that the goal of Iran's nuclear program is to obtain a nuclear weapons capability, Schwartz's interlocutors are equally convinced that the only way to prevent Iran from attaining its goal is through diplomacy and engagement. MFA DDG Babur Hizlan told Schwartz Iran has made a national decision to continue with nuclear enrichment and additional incentives would not be able to entice Iran to abandon this policy. He suggested a more fruitful approach is to allow Iran to engage in uranium enrichment under strict controls to prevent Iran from diverting the technology toward a weapons program. End Summary
- 12. (C) NEA Director for Iran Affairs Todd Schwartz visited Turkey November 13-14 to consult with Turkish officials and opinion leaders on Iran. Schwartz took pains to ensure his interlocutors understood that the U.S. valued Turkey's views. Schwartz also made the point that while the approach to policy issues in the new U.S. Administration may change, the essentials of U.S. Iran policy will be consistent: Iran's support of terrorism and pursuit of nuclear weapons technology will continue to be opposed by the international community; the U.S. will continue to count on Turkey to play a leading role in this effort.

Turkey Ready to Help with Direct US-Iran Talks ______

13. (C) MFA DDG for South Asia Babur Hizlan told Schwartz that PM Erdogan offered to facilitate contacts between the US and Iran because Turkey is in regular contact with P5 plus 1 capitals as well as with Tehran and is "a partner that understands both sides better than they understand each other." Hizlan stressed that while U.S. engagement in the P5 Plus 1 process -- such as the Secretary's signature on the June 12 letter to Mottaki and U/S Burns' participation in the July talks in Geneva -- is helpful, the Iranians do not consider the EU3 serious partners and want to deal directly with the U.S. The U.S. continues to pose the greatest threat for Iran

and a "regime guarantee" from the US is essential for the Iranian leadership. Hizlan noted that an additional issue that the Iranians will raise in any direct contact is the status of Iranian "diplomats" detained by U.S. forces in Iraq.

Substance Important, But Style Counts

¶4. (C) Hizlan called Ahmadinejad's congratulatory letter to Obama a clear signal, and said the letter must have been prepared "weeks in advance", with approval from Supreme Leader Khamenei. A discreet, bilateral approach by the U.S. would be more effective than continuing to conduct diplomacy "under the international spotlight," Hizlan advised, and the US should avoid issuing threats and deadlines in their dealing with Iran. "The tone you take when dealing with Iran is key," Hizlan explained.
"They need respect." Ankara-based think-tankers agreed with the need to use the change of U.S. administrations to have a fresh start with Iran. Huseyin Bagci, a wellconnected international relations professor at Middle East Technical University (METU) suggested that President-elect Obama "extend a hand of friendship" to Iran on January 21 to signal a real change in U.S. policy. Bagci also urged the U.S. to reach out to the Iranian people with much more effective public diplomacy. Arzu Celalifer, an Iran analyst at Ankara-based International Strategic Research Organization (ISRO), agreed and said such a signal would be welcome in Iran.

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Iran A Regional Power

- ¶5. (C) Despite Iran's bad behavior, "It will always be a regional power," and needs to be recognized as such, Hizlan stressed. Iran can be quite effective and helpful or "less than helpful" in the region, as Iran's activities in Afghanistan have shown. Hizlan argued that positive engagement with the Iranians can only help encourage them to do the right thing, especially in areas where Iranian and Western interests overlap, such as Afghanistan, where no one wants to see the Taliban succeed.
- 16. (C) Turkey has raised concerns about Iran's negative role in Lebanon, according to Hizlan, but "Turkey does not talk to Iran about Syria." He called Syria "the weakest link in the chain" and said it is possible to pull Syria away from Iranian influence. If this is done, Hizlan continued, it would change the regional dynamics and further isolate Iran. Hizlan,s Deputy, Devrim Ozturk, had met November 12 with Iranian MFA Think-tank Director Seyyed Mousavi, who told Devrim that Iran has no position on Turkey,s talks with Syria and Israel. Hizlan told us that Syria briefs Iran about those talks, "but only a little. Iran is not happy about the talks." Mousavi also emphasized to the Turkish MFA that "No country, even the United States, is Iran,s permanent enemy." Regarding Hezbollah, Hizlan told Schwartz that Turkey sees the movement as "a Lebanese force that receives support from Iran, but is popular and delivers important public services."

"Iran,s Political System for Iran to Decide"

17. (C) Hizlan underscored Turkey,s view that Iran,s own political system is something only Iranians can decide to change. "They have always had some form of theocratic rule; the clerics had great influence even under the Shah." He noted that Iran reacts negatively to external criticism of its human rights record, but that at the same time, it is making small progress on important

issues, like moving to outlaw child executions (comment: with notable exceptions). He discouraged USG efforts to work with elements of Iranian civil society, arguing that such contacts put reform-minded Iranians at great risk.

Iran Won't Back Down on Enrichment

- $\P8.$ (C) Hizlan predicted that a key sticking point in any U.S.-Iran dialogue is Iran's nuclear program; Iran has made a national decision to pursue nuclear enrichment technology, and no amount of additional incentives will entice Iran from pursuing this goal. In talks with President Gul during the August visit to Istanbul, Ahmedinejad had hinted at a willingness to begin the "freeze-for-freeze" process, but had expressed concerns about what would happen if Iran remains unwilling to give up enrichment altogether. Hizlan claimed Ahmedinejad thought Iran would be worse off if it began the "freeze-for-freeze" process but was not able to move beyond this initial phase. $\mbox{\sc Hizlan}$ recommended that the US consider an end state in which Iran is allowed to have limited enrichment capability, under the strictest international control. Turkey does not want a nuclear-capable Iran on its doorstep, Hizlan said, but Iran has legitimate rights under the NPT and Turkey can live with Iran having enrichment technology if it is under what he called "Additional Protocol Plus" controls. He suggested that the two sides might be able to have a useful discussion, starting again with the "freeze for freeze" proposal, after the June elections.
- 19. (C) Turkish General Staff (TGS) Division Chief for Foreign Relations and International Security Cooperation Major General Metin Cetin told Schwartz that the Turkish military agrees "Iran is a threat". The TGS is convinced that the goal of Iran's nuclear program is to obtain a nuclear weapons capability, and that Iran is within

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several years of acquiring this capability. He called Iran,s enrichment program a strategic threat that disturbs the regional balance. "We are doing as much as we can to press Iran to stop seeking WMD technologies." However, the TGS does not believe there is a feasible military solution to prevent Iran from obtaining its goal. Cetin urged that the USG try "direct engagement" before seeking new international sanctions against Iran.

110. (C) Cetin explained that the UN sanctions regime on Iran precludes the TGS from seeking closer military-to-military ties with Iran. "We cooperate on border security, anti-trafficking, and counter-terrorism" but there are no high-level military contacts or exchanges. Regarding counter-terrorism cooperation, Cetin confirmed that they do not undertake joint operations, but rather exchange information to de-conflict their separate operations against the PKK and PJAK.

Energy and Trade Important for Turkey-Iran Relations...

- 111. (C) MFA's Hizlan told Schwartz that Turkey's reliance on external energy sources is a reality and that the only viable alternative to Russia is Iran, which currently provides 17 percent of Turkey's natural gas. He also noted Turkey and Iran relies on each other to access markets in Central Asia and Europe, respectively. Bilateral trade with Iran will likely reach \$10 billion in 2008; Iran's energy exports to Turkey represent over 80 percent of this trade volume.
- .. And Can Be Catalyst for Change in Iran

112. (C) Informal advisor to the Energy Ministry Faruk Demir (protect) echoed Hizlan's assessment and said Turkey and Iran's energy partnership is necessary and will continue. According to Demir's forecast, Turkey's natural gas demand will increase by an additional 30 BCM by 2025; gas from Iran, along with Russia, Azerbaijan, Iraq and Turkmenistan will help meet this rise in demand. Similarly, the EU will likely need over 120 BCM of gas by 2025. Russia, even with its attempt to control supplies in the Caspian Basin, will not be able to meet this demand alone. The EU will likely look to Iran to meet as much as 40 percent of its demand. Turkey wants to help link Iran to Europe. "This means investing heavily in Iran,s gas infrastructure by 2015. Iran is an energy player that we will need to work with in coming years. But we need to start preparing now." Demir posited that trade with Iran will help liberalize Iran's market, bring western-oriented market functions and values to Iran,s economy, and possibly moderate the Iranian government's behavior. He believes as economic conditions improve in Iran, there will be more demand for change that the West would find positive. Demir recommended that the USG "shake hands with Iran, even as you are squeezing with the other hand. That,s what the Iranians themselves do.

All Eyes on June Elections

113. (C) MFA,s Hizlan predicted that Iran will not be able to take any dramatic steps in its relationship with the US before the June 2009 presidential elections, as no one wants to appear weak during the campaign season. Despite bad economic conditions in Iran and the Majles,s impeachment of Interior Minister Kordan, Hizlan saw no credible rival able to challenge Ahmedinejad at this point. Whether someone can defeat Ahmedinejad will depend on where Khamenei stands — he has yet to endorse Ahmadinejad nor has he indicated a desire to see someone replace him. "The reformists are waiting to see what (former President) Khatami does, because they know Karroubi is not electable. Among the others (Ghalibaf, Ruhani) there may be a credible alternative to Ahmadinejad. The maneuvering

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is already happening now." Hizlan cautioned any US attempts to take sides in the upcoming election as any politician suspected of receiving US support will be labeled a "US stooge".

114. (C) ISRO's Celalifer agreed that the key will be whether Khamenei allows a legitimate rival to emerge in opposition to Ahmadinejad, but believed the moderate conservatives have learned their lesson from the last election and will work hard to present one candidate to avoid splitting the vote among their supporters.

Nonproliferation

115. (C) Hizlan assured Schwartz that Turkey fully supports efforts to prevent proliferation sensitive shipments between Iran and Syria and have worked closely with the US on these cases. He reminded Schwartz that the key to successful cooperation is timely and accurate intelligence. He notes that there have been few reports of such shipments, and credits Turkey's own initiative and the good cooperation between the US and Turkey for the decline. Although Iran denied any role in the weapons shipment aboard a train originating from

Iran and bound for Syria that was uncovered after the train had derailed as a result of a PKK attack in May 2007 (reftel), Turkey has now implemented random searches of all truck and rail cargo from Iran.

 $\underline{\mbox{\tt 1}}\mbox{\tt 16}\mbox{\tt 0}.$ (U) NEA/IR Schwartz did not have an opportunity to review this cable.

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